MONTANA LEGISLATIVE HISTORY

Chapter 635 1985

Bill H _____ S 325 Original bill & history ✗ C

H. Committee on Business + Labor			S. Committee on Local Government		
Hearing Date(s)	Mar 19	✓ C	Hearing Date(s)	Feb 19	✓ C
	Mar 21	✓ C		_____	___ C
	_____	___ C		_____	___ C
	_____	___ C		_____	___ C
Date Out	Mar 21	✓ C		Feb 19	✓ C

Did this bill originate in an interim committee? ___ Yes ___ No

Committee _____ Report _____

4/19 SIGNED BY GOVERNOR
CHAPTER NUMBER 553 EFFECTIVE DATE: 10/01/85

SB 324 INTRODUCED BY STIMATZ, PAVLOVICH, LYNCH, ET AL.
ESTABLISH STATE LOTTERY; COORDINATE WITH CARD GAMES AND KENO LAWS

2/04 INTRODUCED
2/05 REFERRED TO STATE ADMINISTRATION
2/06 FISCAL NOTE REQUESTED
2/15 HEARING
2/19 FISCAL NOTE RECEIVED
2/23 COMMITTEE REPORT-BILL PASS AS AMENDED
2/23 STATEMENT OF INTENT ATTACHED
2/25 2ND READING PASS AS AMENDED 25 23
2/27 3RD READING DO NOT PASS 24 26
2/27 BILL KILLED

SB 325 INTRODUCED BY VAN VALKENBURG, KEYSER, FULLER, ET AL.
ESTABLISHMENT OF STATEWIDE EMERGENCY PHONE SYSTEM

2/04 INTRODUCED
2/05 REFERRED TO LOCAL GOVERNMENT
2/06 FISCAL NOTE REQUESTED
2/12 FISCAL NOTE RECEIVED
2/19 HEARING
2/23 COMMITTEE REPORT-BILL PASS AS AMENDED
2/23 STATEMENT OF INTENT ATTACHED
2/25 2ND READING PASS 33 17
2/27 3RD READING PASS 37 13

TRANSMITTED TO HOUSE
3/06 REFERRED TO BUSINESS & LABOR
3/19 HEARING
3/25 COMM REPORT-BILL CONCURRED AS AMENDED
3/30 2ND READING CONCURRED 70 28
4/01 3RD READING CONCURRED 67 31

RETURNED TO SENATE WITH AMENDMENTS
4/05 2ND READING AMENDMENTS CONCURRED 45 5
4/09 3RD READING AMENDMENTS CONCURRED 43 5
4/10 SIGNED BY PRESIDENT
4/10 SIGNED BY SPEAKER

4/10 TRANSMITTED TO GOVERNOR
4/15 RETURNED WITH GOVERNOR'S AMENDMENTS
4/17 2ND READING GOVERNOR'S AMENDMENTS CONCURRED 49 0
4/18 3RD READING GOVERNOR'S AMENDMENTS CONCURRED 49 0

TRANSMITTED TO HOUSE
4/20 2ND READING GOVERNOR'S AMENDMENTS CONCURRED 51 0
4/22 3RD READING GOVERNOR'S AMENDMENTS CONCURRED 61 0

RETURNED TO SENATE
4/25 SIGNED BY PRESIDENT
4/25 SIGNED BY SPEAKER

SENATE FINAL STATUS

4/25	TRANSMITTED TO GOVERNOR		
4/25	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 635 EFFECTIVE DATE: 1/1/87		
	SECTIONS 3 AND 11 ARE EFFECTIVE 7/1/86		

SB 326 INTRODUCED BY HIMSL, SEVERSON, B. BROWN
CLARIFY APPROPRIATION REQUIREMENTS FOR SMALL GROUND WATER DEVELOPMENT

2/04	INTRODUCED		
2/05	REFERRED TO NATURAL RESOURCES		
2/18	HEARING		
2/19	COMMITTEE REPORT-BILL PASS AS AMENDED		
2/21	2ND READING PASS	49	0
2/23	3RD READING PASS	49	0
	TRANSMITTED TO HOUSE		
2/27	REFERRED TO NATURAL RESOURCES		
3/20	HEARING		
3/21	COMM REPORT-BILL CONCURRED AS AMENDED		
3/23	2ND READING CONCURRED	93	0
3/26	3RD READING CONCURRED	99	0
	RETURNED TO SENATE WITH AMENDMENTS		
4/02	2ND READING AMENDMENTS CONCURRED	50	0
4/04	3RD READING AMENDMENTS CONCURRED	50	0
4/11	SIGNED BY PRESIDENT		
4/11	SIGNED BY SPEAKER		
4/12	TRANSMITTED TO GOVERNOR		
4/16	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 499 EFFECTIVE DATE: 10/01/85		

SB 327 INTRODUCED BY B. BROWN, YELLOWTAIL, ET AL.
PRESUMPTION AS TO OWNER OF CAR THAT ILLEGALLY PASSED STOPPED SCHOOL BUS

2/05	INTRODUCED		
2/06	REFERRED TO HIGHWAYS & TRANSPORTATION		
2/12	HEARING		
2/15	COMMITTEE REPORT-BILL PASS AS AMENDED		
2/18	2ND READING PASS AS AMENDED	35	14
2/20	3RD READING PASS	36	12
	TRANSMITTED TO HOUSE		
2/27	REFERRED TO JUDICIARY		
3/19	HEARING		
3/19	COMMITTEE REPORT-BILL CONCURRED		
3/22	2ND READING CONCURRED	81	11
3/25	3RD READING CONCURRED	84	16
	RETURNED TO SENATE		
3/30	SIGNED BY PRESIDENT		
3/30	SIGNED BY SPEAKER		
4/01	TRANSMITTED TO GOVERNOR		
4/05	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 366 EFFECTIVE DATE: 10/01/85		

SENATE BILL NO. 325

INTRODUCED BY VAN VALKENBURG, KEYSER, FULLER, HARDING, HALLIGAN, BLAYLOCK, MCCALLUM, QUILICI, HIRSCH, MOHAR, CRIPPEN

IN THE SENATE

February 5, 1985	Introduced and referred to Committee on Local Government.
February 6, 1985	Fiscal Note requested.
February 12, 1985	Fiscal Note returned.
February 23, 1985	Committee recommend bill do pass as amended. Report adopted.
	Statement of Intent attached.
February 25, 1985	Bill printed and placed on members' desks.
	Second reading, do pass.
February 26, 1985	Considered correctly engrossed.
February 27, 1985	Third reading, passed. Ayes, 37; Noes, 13.
	Transmitted to House.

IN THE HOUSE

March 7, 1985	Introduced and referred to Committee on Business and Labor.
March 25, 1985	Committee recommend bill be concurred in as amended. Report adopted.
March 30, 1985	Second reading, concurred in.
April 1, 1985	Third reading, concurred in.

April 1, 1985	Returned to Senate with amendments.
	IN THE SENATE
April 1, 1985	Received from House.
April 3, 1985	Second reading, pass consideration until the 74th Legislative Day.
April 5, 1985	Second reading, amendments concurred in.
April 9, 1985	Third reading, amendments concurred in. Ayes, 43; Noes, 5.
	Sent to enrolling.
April 10, 1985	Correctly enrolled.
	Signed by President.
	Signed by Speaker.
	Delivered to Governor.
April 15, 1985	Returned from Governor with recommended amendments.
April 17, 1985	Second reading, Governor's amendments concurred in.
April 18, 1985	Third reading, Governor's amendments concurred in.
	Transmitted to House.
	IN THE HOUSE
April 18, 1985	Received from Senate.
April 20, 1985	Second reading, Governor's amendments concurred in.

April 22, 1985	Third reading, Governor's amendments concurred in.
	Returned to Senate.

IN THE SENATE

April 22, 1985	Received from House.
April 23, 1985	Sent to enrolling.
	Reported correctly enrolled.

LC 0471/01

Senate BILL NO. 325

INTRODUCED BY Van Valkenburg, Keaster, Fuller, Harding, Halligan, Mahlum, Hirsch, Mohar, Lynch

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A PERMISSIVE STATEWIDE EMERGENCY TELEPHONE SYSTEM; PROVIDING FOR A STATE PLAN; PROVIDING FOR TELEPHONE INDUSTRY COORDINATION; PROVIDING FOR COIN TELEPHONE CONVERSION; PROVIDING FOR FUNDING OF THE SYSTEM BY LEVYING A TELEPHONE FEE; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in [this act], unless the context requires otherwise, the following definitions apply:

(1) "Account" means the 9-1-1 emergency telecommunications account established in [section 16].

(2) "Commission" means the public service commission provided for in 2-15-2602.

(3) "Department" means the department of administration provided for in Title 2, chapter 15, part 10.

(4) "Direct dispatch method" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, provides for a decision as to the proper action to be taken and for dispatch of appropriate emergency service units.

(5) "Emergency" means any event that requires dispatch of a public or private safety agency.

(6) "Emergency services" means services provided by any public or private safety agency, including law enforcement, firefighting, ambulance or medical services, and civil defense services.

(7) "Exchange access services" means:

(a) telephone exchange access lines or channels that provide local access from the premises of a subscriber in this state to the local telecommunications network to effect the transfer of information; and

(b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in subsection (7)(a).

(8) "Local government" means any city, county, or political subdivision of the state and its agencies.

(9) "Minimum 9-1-1 service" means a telephone service meeting the standards established in [section 3] that automatically connects a person dialing the digits 9-1-1 to an established public safety answering point. "Minimum 9-1-1 services" includes equipment for connecting and outswitching 9-1-1 calls within a telephone central office, trunking facilities from the central office to a public safety answering point, and equipment, as appropriate, for transferring the call to another point, when appropriate.

INTRODUCED BILL
SB 325

(10) A "9-1-1 jurisdiction" means a group of public or private safety agencies who operate within or are affected by one or more common central office boundaries and who have agreed in writing to jointly plan a 9-1-1 emergency telephone system.

(11) "Private safety agency" means any entity, except a public safety agency, providing emergency fire, ambulance, or medical services.

(12) "Provider" means a public utility that provides telephone exchange access services.

(13) "Public safety agency" means the state and any city, county, city-county consolidated government, municipal corporation, chartered organization, public district, or public authority located in whole or in part within this state that provides or has authority to provide emergency services.

(14) "Public safety answering point" means a communications facility operated on a 24-hour basis that first receives 9-1-1 calls from persons in a 9-1-1 service area and which may, as appropriate, directly dispatch public or private safety services or transfer or relay 9-1-1 calls to appropriate public safety agencies.

(15) "Relay method" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, notes the pertinent

information from the caller and relays such information to the appropriate public safety agency, other agencies, or other providers of emergency services for dispatch of an emergency unit.

(16) "Subscriber" means a person who receives telephone exchange access services.

(17) "Transfer method" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, directly transfers such a request to an appropriate public safety answering agency or other provider of emergency services.

Section 2. Emergency telephone system requirements. (1) Every public and private safety agency in this state may establish or participate in an emergency telephone system.

(2) An emergency telephone system must include:

(a) a 24-hour communications facility automatically accessible anywhere in the 9-1-1 jurisdiction's service area by dialing 9-1-1;

(b) direct dispatch of public and private safety services in the 9-1-1 jurisdiction or relay or transfer of 9-1-1 calls to an appropriate public or private safety agency; and

(c) two 9-1-1 circuits from each telephone company central office to each 24-hour communications facility for law enforcement, firefighting, ambulance, and emergency

medical services.

(3) The primary emergency telephone number within the state is 9-1-1, but a public safety answering point shall maintain both a separate seven-digit secondary emergency number for use by the telephone company operator and a separate seven-digit nonemergency number.

Section 3. Department of administration duties and powers. (1) The department shall assist in the development of 9-1-1 systems in the state. The department shall:

(a) establish procedures for determining and evaluating requests for variations from minimum 9-1-1 service;

(b) upon request of a 9-1-1 jurisdiction, assist in planning an emergency 9-1-1 telephone system;

(c) establish criteria for evaluating plans;

(d) monitor implementation of approved plans for compliance with the plan and use of funding; and

(e) report biennially to the legislature the progress made in implementing a statewide emergency telephone system.

(2) The department shall obtain input from all 9-1-1 jurisdictions by creating an advisory council to participate in development and implementation of the 9-1-1 program in the state. The council must be established pursuant to 2-15-122. The highway patrol, emergency medical services organizations, telephone companies, the associated public

safety communicators, the department of emergency services, police departments, sheriff's departments, local citizens, organizations, and other public safety organizations may submit recommendations for membership on the advisory council.

Section 4. Submission of preliminary plans for 9-1-1 jurisdictions -- review -- cost estimates. (1) A 9-1-1 jurisdiction may submit a preliminary plan for establishing an emergency telephone system in accordance with [section 2] to:

(a) public and private safety agencies in the 9-1-1 jurisdiction;

(b) the department; and

(c) public utilities that provide telephone service in the 9-1-1 jurisdiction's service area.

(2) The department shall review the preliminary plan for compliance with [section 2] and rules adopted pursuant to [section 3] and report its approval or disapproval to the 9-1-1 jurisdiction within 90 days of receipt of the plan.

(3) A public utility that provides telephone service in the 9-1-1 jurisdiction's service area shall, within 90 days of receipt of the plan, provide the 9-1-1 jurisdiction with a good faith estimate of the cost to the 9-1-1 jurisdiction for implementing the plan.

Section 5. Submission and approval of final plans --

exception. (1) A 9-1-1 jurisdiction shall submit a proposed final plan for establishing an emergency telephone system pursuant to [section 2] within 1 year from receipt of the department's approval of its preliminary plan to:

(a) public and private safety agencies in the 9-1-1 jurisdiction;

(b) the department; and

(c) public utilities that provide telephone service in the 9-1-1 jurisdiction's service area.

(2) In addition to other matters required by [section 2], the final plan must include a description of all capital and recurring costs for the proposed emergency 9-1-1 telephone system.

(3) The department shall determine whether the final plan complies with [section 2] and rules adopted pursuant to [section 3]. Subject to [section 6], if the department determines that the plan complies, it shall approve the plan, or if the department determines that the plan does not comply, it shall disapprove the plan. The department shall inform the 9-1-1 jurisdiction of its decision within 180 days of receipt of the plan.

Section 6. Requirement for approval of final plan -- department to insure compliance. The department may not approve the preliminary or final plan of a 9-1-1 jurisdiction unless the plan is accompanied by a written

approval from the governing bodies of all participating public and private safety agencies included in the 9-1-1 jurisdiction.

Section 7. Agreements among safety agencies for rendering emergency services. (1) Public or private safety agencies sharing common boundaries may enter into agreements which provide that an emergency unit dispatched by an emergency telephone system established in accordance with [section 2] must render emergency services without regard to jurisdictional boundaries.

(2) A public safety agency with jurisdictional responsibilities must in all cases be notified by the public safety answering point of a request for service in the agency's jurisdiction.

Section 8. Pay phones to be converted to allow emergency calls without charge. A public utility that provides telephone service in an area served by an emergency telephone system established pursuant to [section 2] must convert every pay station telephone to permit dialing 9-1-1 or the telephone company operator without deposit of a coin or other charge to the caller. Conversion must be completed by or before the time the emergency telephone system is operational.

Section 9. Fee imposed for telephone exchange access services. (1) Except as provided in [section 10], a fee of

25 cents a month per access line on each service subscriber in the state is imposed on the amount charged for telephone exchange access services.

(2) The subscriber paying for exchange access line services is liable for the fee imposed by this section.

(3) The provider shall collect the fee. The amount of the fee collected by the provider is considered payment by the subscriber for that amount of fee.

(4) Any return made by the provider collecting the fee is prima facie evidence of payments by the subscribers of the amount of fees indicated on the return.

Section 10. Exemptions from fee imposed. The fee imposed by [section 9] does not apply to:

(1) services that the state is prohibited from taxing under the constitution or laws of the United States or the constitution or laws of the state of Montana; or

(2) amounts paid by depositing coins in a public telephone.

Section 11. Provider required to maintain record of collections. Every provider responsible for the collection of the fee imposed by [section 9] shall keep records, render statements, make returns, and comply with rules adopted by the department of revenue with respect to the fee. Whenever necessary in the judgment of the department of revenue, it may require the provider or subscriber to make returns,

render statements, or keep records sufficient to show whether there is tax liability.

Section 12. Deadlines for filing returns. (1) The provider collecting the fee under [section 9] must file a return with the department of revenue on or before the last day of the month following the end of each calendar quarter, reporting the amount of fee due on exchange access line services during the quarter. Returns are subject to the penalty for false swearing provided in 45-7-202.

(2) When a return of the fee is required, the provider required to make the return shall pay the fee due the department of revenue at the time fixed for filing the return.

(3) The provider shall pay the fee based on the net amount billed for the exchange access service fee during the quarter.

(4) As used in this section, the "net amount billed for the exchange access service fee" equals the gross amount billed for such service, less adjustments for uncollectable accounts, refunds, incorrect billings, and other appropriate adjustments.

Section 13. Refund to provider for excess payment of fee. If the amount paid by a provider to the department of revenue exceeds the amount of fee owed, the department of revenue shall refund the amount of the excess payment, with

interest thereon at the rate of 0.5% a month or fraction of a month from the date of payment of the excess until the date of the refund. No refund may be made to a provider who fails to claim the refund within 2 years after the due date for filing of the return with respect to which the claim for refund relates.

Section 14. Provider required to hold fee in trust for state. (1) Every provider required to collect the fee imposed by [section 9] holds it in trust for the state of Montana and for the payment thereof to the department of revenue in the manner and at the time provided by [section 12].

(2) If a provider required to collect the fee fails to remit any amount held in trust for the state of Montana or if a subscriber fails to pay the fee, the department of revenue may enforce collection by the issuance of a warrant for distraint for the collection of the delinquent amount and all penalties, interest, and collection charges accrued thereon. The warrant is governed by the provisions of Title 15, chapter 1, part 7.

Section 15. Provider considered a taxpayer under provisions for fee. Unless the context requires otherwise, the provisions of Title 15 referring to the audit and examination of reports and returns, determination of deficiency assessments, claims for refunds, penalties,

interest, jeopardy assessments, warrants, conferences, appeals to the department of revenue, appeals to the state tax appeal board, and procedures relating thereto apply to [sections 9 through 14] the same as if the fee were a tax imposed upon or measured by net income. All such provisions apply to the subscriber liable for the fee and to the provider required to collect the fee. As to any amount collected and required to be remitted to the department of revenue, the fee is considered a tax upon the provider required to collect it and that provider is considered a taxpayer.

Section 16. Establishment of emergency telecommunications account. A 9-1-1 emergency telecommunications account is established in the state special revenue fund in the state treasury. All money received by the department of revenue pursuant to [section 9] must be paid to the state treasurer for deposit in the account. After payment of refunds pursuant to [section 13], the balance of the account is statutorily appropriated [as provided in section 2 of House Bill No. 12] to the department to be used for the purposes described in [sections 2 through 8].

Section 17. Distribution of account by department. (1) The department shall make quarterly distributions of the entire account beginning on October 1, 1985. The

distributions must be made for the following:

(a) administrative costs incurred during the preceding calendar quarter by the department of revenue in carrying out [this act]. The amount paid may not exceed 1% of the account on the date of distribution or actual expenses incurred, whichever is less.

(b) administrative costs incurred during the preceding calendar quarter by the department in carrying out its duties under [this act]. The amount paid to the department may not exceed 7% of the account on the date of distribution or actual expenses incurred, whichever is less.

(c) costs incurred during the preceding calendar quarter by each public utility that provides telephone service in the state for:

(i) collection of the fee imposed by [section 9];

(ii) modification of central office switching and trunking equipment for emergency telephone service only; and

(iii) conversion of pay station telephones required by [section 8].

(2) Payments under subsection (1)(c) may be made only after application by the public utility to the commission for costs incurred in subsection (1)(c). The commission shall audit all applications relevant to subsection (1)(c) for appropriateness of costs claimed by the public utility and shall forward the results of such audits to the

department. If the utility contests the audit, payment may not be made until the amount owed the utility is made certain.

(3) After all amounts under subsections (1) and (2) have been paid, the balance of the account must be distributed to cities within a 9-1-1 jurisdiction that have an approved final plan and to counties within a 9-1-1 jurisdiction that have an approved final plan on a per capita basis. However, each county must receive a minimum of 1% of the balance of the counties' share of the account. Cities and counties shall distribute amounts received to 9-1-1 jurisdictions within their jurisdiction. A 9-1-1 jurisdiction whose 9-1-1 service area includes more than one city or county is eligible to receive operating funds from each city or county involved.

(4) If the department through its monitoring process determines that a 9-1-1 jurisdiction is not adhering to an approved plan or is not using funds in the manner prescribed in [section 18], the department may, after notice and hearing, suspend payment to the 9-1-1 jurisdiction. The jurisdiction is not eligible to receive funds until such time as the department determines that the jurisdiction is complying with the approved plan and fund usage limitations.

Section 18. Limitation on use of funds. Money received under subsection (3) of [section 17] may be used only to pay

for installing, operating, and improving an emergency telephone system using 9-1-1. Money not necessary for immediate use may be invested by the city or county. The income from the investments shall be used only for the purposes described in this section.

Section 19. Coordination. If this act and House Bill No. 12 are both passed and approved, subsection (3) of section 2 of House Bill No. 12 is amended to include a reference to section 16 of this act, and the bracketed language in section 16 of this act "[as provided in section 2 of House Bill No. 12]" is effective. If House Bill No. 12 is not passed and approved, such bracketed language in section 16 of this act is void.

Section 20. Effective date. This act is effective July 1, 1985.

-End-

Senator Harding asked Mr. Dooley what he would suggest to keep the high cost of the audits down. Mr. Dooley said if the water and sewer departments paid their portions of the audits, it would spread the costs among the various revenue sources.

Senator Pinsoneault asked Mr. Dooley how many years had to be covered by an audit. Mr. Dooley said audits are required every two years and some communities ask for an annual audit.

The hearing was closed on SB 291.

CONSIDERATION OF SENATE BILL 325: Senator Fred Van Valkenburg, District #30, is the sponsor of this bill. The bill was introduced to establish a permissive statewide emergency telephone system, to provide for a state plan, to provide for telephone industry coordination, to provide for coin telephone conversion, to provide for funding of the system by levying a telephone fee, and to provide an effective date.

Senator Van Valkenburg distributed a fact sheet regarding SB 325. It is attached as Exhibit J to these minutes.

PROPONENTS

Iona Baertsch, representing the 911 Center in Missoula, spoke in favor of the bill. She said the bill would provide one access number statewide for emergency services. This is the same number that is used nationally. Some states have statewide coverage of 911 funded in the same manner as proposed in this bill. She played a recording of an incident that took place in Missoula when a child called 911 after seeing a stranger in her yard.

Martin Stefanic, Chief of Police in Kalispell, spoke regarding the bill. While he supports the concept of the bill, he does not feel that the fee of twenty five cents per phone line will cover the cost of the proposal. He also feels the bill would expand bureaucracy by having the administration of the proposal at the state level. He said it should be kept at the local level where the state will not be keeping seven percent of the funding for administration.

Ellen Feaver, representing the Department of Administration, spoke in favor of the bill. She said the Department would like to go on record as supporting the bill.

Larry Petersen, representing the Montana Board of Crime Control, spoke in favor of the bill. His written testimony is attached as Exhibit K to these minutes.

Barry Hjort, representing the Montana Emergency Medical Association, state his support of the bill.

Bruce Svenean, representing the Montana Fire Chiefs' Association, stated his support of the bill.

Jerry Loendorf, representing the Montana Medical Association, stated his support of the bill.

Joan Mandeville, representing the Public Service Commission, spoke in favor of the bill. Her written testimony is attached as Exhibit L to these minutes.

John Scully, representing the Sheriffs' and Peace Officers' Association, said they are in favor of the concept of the bill but have concerns with everyone being assessed a fee even if they do not receive the services.

OPPONENTS

Jim Hughes, representing Mountain Bell, said they endorse the concept of the bill but it should be a local decision that local governments make and funding should occur locally. They oppose using the phone bill to assess taxes on people. They also feel the proposed charge of twenty five cents per phone line would not cover the costs.

Lyle Nagel, representing the Montana Voluntary Firemens' Association, spoke in opposition to the bill. He said in small areas people would reach the sheriff when they called 911 and the sheriff would then have to call the rural fire department. If pagers are used, the money to purchase them is not included in this proposal.

Senator Fuller opened the hearing for questions.

Senator Story asked how Missoula got funds for their system. Ms. Baertsch said they received a grant from the Bandaid Corporation to start with and then local funding took over.

The hearing was closed on SB 325.

CONSIDERATION OF SENATE BILL 293: Senator Fred Van Valkenburg, District #30, is the sponsor of this bill. The bill was introduced to authorize counties and municipalities to impose a local option income tax through a majority vote of their electors, to provide that a county local option income tax includes municipalities within the county with appropriate proceeds going to the municipalities, to provide for administration of the tax by the Department of Revenue, and to provide an effective date and an applicability date.

Senator Van Valkenburg submitted proposed amendments to SB 293. They are attached as Exhibit M to these minutes.

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

49th
~~XXXX~~ LEGISLATIVE SESSION -- 1985

Date 2-19-85

SENATE SEAT #	NAME	PRESENT	ABSENT	EXCUSED
13	Senator Crippen, Bruce	✓		
18	Senator Eck, Dorothy	✓		
11	Senator Harding, Ethel	✓		
47	Senator Hirsch, Les	✓		
4	Senator McCallum, George	✓		
28	Senator Mohar, John (V.Chair)	✓		
4	Senator Pinsoneault, Dick	✓		
19	Senator Regan, Pat	✓		
21	Senator Story, Pete	✓		
43	Senator Fuller, Dave (Chair)	✓		

Each day attach to minutes.

DATE 2-19-85

COMMITTEE ON LOCAL GOVT

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Oppose
MARTIN STEFANIC	Mt. Chief's of Police	325		
Nadiean Jensen	AFSCME	293	X	
Dennis Burr	MonTax	293		X
JAY DOWNEN	MONTANA TELEPHONE ASS'N.	325		
Mary Vant Hall	Bozeman City Commission	293	X	
Vera Cahoon	Mela Co Freeholders	279	X	
" "	" "	293		X
Verne Anderson	Missoula	293		X
John R Wittenberg	Missoula	293		X
" "	"	279	X	
Don Doyle	Dept. of Commerce	291		X
Vicki Bradley	Missoula	279	X	
Dan Denny	Butte - Silver Bow	293	X	
Lenore Lopshire	State Treasurer	279		
Tom MacDonald	Mt. Public Service Comm.	325		
Larry Petersen	Board of Crime Control	325	X	
Bruce Samson	Career Fire Chief	325	X	
Tony Herbert	Dept. of Admin	325		
Mike Trevor	Dept. of Admin	325	✓	
D. Morris	MACo	325 255 293 279	✓	
Richard O Pratt	MT Retirement Assoc	293		X
Ken Hughes	MTN. BELL	325	AMEND	
Gene Jackson	U-Save Coalition	293	✓	
Mike Young	City of Missoula	293	✓	
Barry L. Hjort	MEMSA	325	✓	
Lyle Nagel	Mont State Vol Firemens Ass'n	325	Amend	

DATE 2-19-85

COMMITTEE ON _____

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Oppose
Jim MacKler	MT. Coal Council	285		←
Clifford Olofson	Mola Co Taxpayers			Amended
William Seibergen	City of Great Falls	293	✓	
Doug Brastad	MSLA Co.	325	✓	
[illegible]	MSLA G	325	←	
Dan Cross	Billings Chamber of Commerce	SB279		X
Bill Verwolf	City of Helena	SB291 SB293	✓ ✓	✓ amendments
Chuck Daily	Mt. Sheriffs & Peace Officers Assn Helena	325	✓	
Jim Lockley	Mt. Medical Assn	379	✓	
Ellen Feaver	Dept of Administration	325	✓	

LOCAL GOVERNMENT COMMITTEE
FEBRUARY 19, 1985
EXHIBIT J

NATE BILL 325

PROPOSED 9-1-1 LEGISLATION will provide everyone in Montana with a standard method for reporting emergencies. (DIAL 9-1-1) Currently residents of Montana and visitors to the state are faced with confusion and loss of time in reporting fire, medical, and law enforcement emergencies.

Dialing "O" for the telephone operator is no longer a viable option, since operators are located in Billings or Salt Lake City and are not trained to be familiar with the different locations or methods of handling emergencies.

At the present time, only 18 communities in Montana have 9-1-1 available for reporting emergencies. With a 9-1-1 program in place state wide, EVERYONE can dial 9-1-1, no matter WHERE they are or WHAT the emergency is.

PROPOSED 9-1-1 LEGISLATION INCLUDES:

(1) The entire program of implementation being funded by imposing a fee of 25 cents monthly on each consumer's telephone access line for making 9-1-1 available throughout Montana;
(2) Regulation of minimum standards for 9-1-1 answering points to maintain credibility throughout the state; and
(3) Conversion of all public pay telephones to coin-free dialing for emergency assistance.

FUNDING WOULD BE USED FOR:

(1) Phone equipment changes needed to implement the program where it is presently non-existent and incomplete;
(2) Cost of collecting fee by telephone companies;
(3) Administration of the 9-1-1 program on a state level; and
(4) Balance divided for cities and counties per capita, to be used for on-going operating expenses and for improving 9-1-1 systems.

LOCAL GOVERNMENT COMMITTEE
FEBRUARY 19, 1985
EXHIBIT K

BOARD OF CI...

303 NORTH ROBERTS
SCOTT HART BUILDING
HELENA, MONTANA 59620
TELEPHONE NO. 444-3604

IN REPLY REFER TO:
SB 325

The Montana Board of Crime Control supports the concept of a statewide, emergency, 9-1-1 telephone system funded in part by a surcharge imposed for telephone exchange access services.

Historical Perspective:

1976 - Montana Justice Project

In order to dispatch emergency services, including law enforcement, more efficiently to both rural and urban areas, no later than 1980, local governments in each Montana community shall begin steps to centralize their communication facilities and cooperate with their local telephone company or cooperative in adopting a free universal emergency telephone number. (Community Crime Prevention Report, Standard 2.3)

1973 - National Advisory Commission on Criminal Justice Standards and Goals

Every police agency should, by 1982, obtain single emergency telephone service, and the cost of such service should be borne by the private telephone subscriber. (Police Report, Standard 23.1)

1967 - The President's Commission on Law Enforcement and the Administration of Justice

Wherever practical, a single police telephone number should be established, at least within a metropolitan area and eventually over the entire United States, ... (The Challenge of Crime in a Free Society, p. 250)

Based on Board discussions concerning a statewide, emergency, 9-1-1 telephone system, I believe the Boards's concerns will be met if SB 325 is approved.

A. Laurence Petersen, Chief
Research & Planning Bureau
Montana Board of Crime Control

LOCAL GOVERNMENT COMMITTEE
FEBRUARY 19, 1985
EXHIBIT L

TESTIMONY OF THE MONTANA PUBLIC SERVICE COMMISSION

February 10, 1985

The Montana Public Service Commission supports the general concept of a statewide 9-1-1 system and does not appear to recommend that this bill does not pass. However, the Commission would propose several amendments to the bill in its present form.

The Federal Communications Commission, in June, 1984 decided to permit the registration of coin telephones. This action cleared the way for private ownership of coin telephones. Currently, many customers in Montana have the opportunity to purchase and install coin telephones. Therefore, all pay phones are no longer owned by telephone companies. Section 8 of this bill requires public utilities to convert pay stations to permit 9-1-1 dialing without the use of a coin. The Commission feels that Section 8 should require all pay stations to include 9-1-1 access without the use of a coin.

Section 17 of this bill addresses distributions from the 9-1-1 emergency telecommunications account. This section allows the Department of Revenue and the Department of Administration to recoup administrative costs caused by this bill. The section also allows the telephone utilities to recover costs incurred for the administration and implementation of this bill on a quarterly basis. Payments from the fund to the telephone utilities may be made only after the Commission audits the claimed costs. Currently there are eight regulated telephone companies and seven cooperative telephone companies doing business in Montana. Auditing 9-1-1 related costs of these companies will impose significant costs on the Commission. The Commission asks that it be included in Section 17 to receive administrative costs from the 9-1-1 emergency telecommunications account. (The Commission has attached a fiscal note to this bill).

Finally, the Commission would ask that the relationship of the Commission to cooperatives in the context of Section 17 be clarified. MCA 35-18-104 states that cooperatives "shall be exempt in all respects from the jurisdiction and control of the public service commission of this state." If it is the legislature's intent to require the Commission to audit the 9-1-1 related costs of cooperatives, Section 17(2) should be amended to clarify that intent.

orm CS-34
79

NAME A. Laurence Petersen BILL NO. SB 325

ADDRESS Helena DATE 2/19/85

WHOM DO YOU REPRESENT MT Board of Crime Control

SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Form CS-34
1-79

NAME JOAN MANDEVILLE BILL No. 325

ADDRESS 2701 PROSPECT AVE HELENA, MT 59620 DATE 2/19/85

WHOM DO YOU REPRESENT MONTANA PUBLIC SERVICE COMMISSION

SUPPORT _____ OPPOSE _____ AMEND ✓

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WRITTEN TESTIMONY SUBMITTED

Joan M. Mandeville

SENATE BILL 357: Hearing commenced on Senate Bill 357. Senator Bob Williams, District #15, sponsor of the bill, stated this allows a business other than a licensed retail liquor outlet located on the same premises to remain open after 2:00 a.m. when the liquor portion is closed.

Proponent Frank Capps, Executive Director, Montana Food Distributors Association, explained that a public hearing was held on December 19, 1984 to address this problem. Mr. Capps stated it is not the departments intention to have the establishment remove the liquor.

Proponent Charles Gravely, representing the Montana Food Distributors Association, stated this is necessary legislation.

Proponent Roger Tippy, representing the Montana Beer and Wine Wholesalers Association, offered his support of the bill.

There being no further discussion by proponents and no opponents, all were excused by the chairman and the hearing on Senate Bill 357 was closed.

SENATE BILL 325: Hearing commenced on Senate Bill 325. Senator Fred Van Valkenburg, District #30, sponsor of the bill, explained this establishes a statewide 9-1-1 emergency telephone system and imposes a fee of 25 cents a month to implement the plan to provide instant contact with police, fire, ambulance and other emergency services throughout the state by dialing 9-1-1. Twenty one states have adopted this, it is a universal number and easy to remember. The money collected will go towards equipment conversions and those that have systems in place may use the money for improvements, added Senate Van Valkenburg.

Proponent Iona Baertsch,representing the Missoula 9-1-1 center, supplied written testimony which is attached hereto as Exhibit 13.

Proponent Larry Peterson, representing the Board of Crime Control, stated 9-1-1 systems have been adopted across the United States. This will not solve all the problems, but will open the door. The concept is divided into four parts: 1) number to call; 2) reception of call; 3) where request should go; 4) inter-jurisdictional agreements.

Proponents John Scully, representing the Sheriff and Peace Officers Association and Gary York, representing the Montana Emergency Medical Services Association, offered their support of the bill.

Proponent Ellen Feaver, Director, Department of Administration, explained that this is a valuable service for Montana citizens. There is a need for better communication in the state and an effective and efficient public service will be provided.

Proponent Bruce Suenram, representing the Montana State Career Fire Chiefs, stated this will help to provide more efficient fire service.

Jim Hughes, representing Mountain Bell, explained that their position is a neutral one. This is a viable concept and a great program. A problem with funding this mechanism seems apparent. Mountain Bell will do their best and are there to help clarify any anticipated changes.

Opponent Betty Lou Kasten, representing Mid-Rivers Telephone, stated she supports in concept. The difficulties presented in rural areas should be considered. We are taught to rely on our neighbors. We do not want to pay for a service that can not be provided, stated Ms. Kasten. The implementation of the bill should be amended so that all areas can get help when needed as quickly as possible.

Opponent Lyle Nagel, representing the Montana State Volunteer Firemen's Association, supplied written testimony which is attached hereto as Exhibit 14.

Opponent Henry Helgesol, representing Mid-Rivers Telephone, stated the 25 cent fee may not be adequate. The cost to install this equipment would be $324,000 and would be an annual cost of $135,432 to the phone company. The cost for administration would be $96,000 minimum. These costs will be added back to the counties. Mr. Helgesol suggested a further study be conducted to determine all costs that will be involved. The concept is good, but further study is necessary.

Opponent John McDonald, representing Northwestern Telephone Service, stated they favor the concept but are against the funding as only telephone subscribers will be assessed.

Opponent Jay Preston, President/Manager, Ronan Telephone Company, stated this is unfair to those subscribers who currently have a 9-1-1 system. A 9-1-1 system has been in Ronan since 1976 and was derived from normal operating funds, with no additional expense to subscribers. This present system is working well and the company could be forced to reroute calls and then dispatch back to the community with passage of Senate Bill 325. Equipment could become obsolete

and replace with standard 9-1-1 dialing equipment. This issue should be left up to the voting public. This legislation could force low income subscribers to terminate their service, added Mr. Preston.

Opponent Ray Smith, General Manager, Blackfoot Telephone, asked if this bill would exclude government, reservations and churches who currently have tax exclusions. The state and telephone companies should work together and come up with a workable solution. The additional tax should have a sunset provision. The 25 cents could be too little or in excess, added Mr. Smith.

Opponent Raymond Moore, of Simms, explained that his community has a 5-1-1 system for reporting fire. This could create the problem of dialing two numbers for different services.

Representative Brandewie asked Henry Helgesol what the cost for a dedicated line is. Mr. Helgesol explained that it is $294 per month per dedicated line to lease from Mountain Bell.

Representative Schultz asked Senator Van Valkenburg if he had considered giving the marginal costs back to the RTA's. Senator Van Valkenburg explained that the fee assessed will pay the costs and that Missoula may be subsidizing others.

In closing, Senator Van Valkenburg submitted an amendment to the bill which is attached hereto. He stated that those who agree to concepts must also understand the law. This is not a concept but something that all can use. This will get help to people and bring the state together.

There being no further discussion by proponents or opponents, all were excused by the chairman and the hearing on Senate Bill 325 was closed.

SENATE BILL 74: Hearing commenced on Senate Bill 74. Senator Gary Aklestad, District #6, sponsor of the bill, explained this expands the jurisdiction of the highway patrol to include any offense that causes the obstruction of a public highway when assistance is requested by a peace officer or a mayor as a result of involvement or existing danger to public safety. The prohibition against highway patrol action in labor disputes is modified so the patrol can act to assure safe or prompt passage by the public on the highway upon authorization by the attorney general. Citizens are deprived of driving due to labor dispute and this is ridiculous in free society. Senator Aklestad

DAILY ROLL CALL

BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 19, 1985

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd	✓		
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormick	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin	✓		

Exhibit 13
3/19/85
SB325
Submitted by: Iona Baertsch

SENATE BILL 325

PROPOSED 9-1-1 LEGISLATION will provide everyone in Montana with a standard method for reporting emergencies. SB325 requires a 25¢ fee per month to be assessed on each telephone access line. This will generate funds for the establishment of a permissive, statewide telephone system for reporting fire, law enforcement and medical emergencies.

CURRENTLY residents of Montana and visitors to the state are faced with confusion and loss of time in reporting emergencies. At the present time, only 18 communities in Montana have 9-1-1 available for reporting emergencies.

NINE-ONE-ONE is the universal emergency number recognized throughout the nation - Many states are using a similar form of financing 9-1-1 as proposed in SB325.

EVERYONE living in, or traveling through Montana, should be able to report ANY emergency no matter WHERE they are by dialing one easy-to-remember and easy-to-dial number - (9-1-1)

Dialing "0" for the telephone operator is no longer a viable option, since operators are located in Billings or Salt Lake City and are not trained to be familiar with the different locations or methods of handling emergencies. With 9-1-1, local options will be retained and the 9-1-1 answering point will be located within a local area for handling of emergencies by personnel trained with a knowledge of that area.

FUNDING WOULD BE USED for phone equipment changes needed to implement the 9-1-1 program where it is presently non-existent and incomplete, and to convert pay telephones for coin-free dialing to report emergencies, for collection and administration which is necessary for coordinating systems so that all areas are served by 9-1-1, with the balance to be divided for cities and counties to be used for on-going expenses and improving 9-1-1 systems.

Some of the rural telephone cooperatives claim they can provide 9-1-1 service at no charge to their consumers. Areas that presently provide "5-1-1" service claim the number can be easily changed to "9-1-1" at no cost. Unfortunately, in most cases, that number reaches only fire volunteers. Other emergency services, such as law enforcement and medical assistance require a separate call (sometimes long distance). In those areas, the revenue created by the 25¢ fee could be used for coordinating services to include ALL emergency services and to pay the toll charges so that reporting an emergency would not require the citizen to make a long distance call.

The telephone cooperatives that don't need the revenue for phone conversion for dialing 9-1-1 or pay telephone conversion to coin-free dialing, could use the funds for improving their local 9-1-1 answering points by purchasing radios, pagers or other equipment for their emergency response personnel or to offset other expenses for their 9-1-1 answering point.

The telephone cooperatives should NOT BE EXEMPT from the fee any more than those areas already having 9-1-1 in place. The 25¢ is to insure a uniform reporting system paid for by EVERYONE IN THE STATE for use by EVERYONE IN THE STATE, no matter where they are when they need to report an emergency.

This is the bottom line: 9-1-1 WILL HELP EVERY MAN, WOMAN, AND CHILD IN MONTANA!!

Exhibit 14 3/19/85 SB325
Submitted by: Lyle Nagel

Joe Moriarity	Shelby	President	Lyle Hacke	Libby	Vice-Pres. Dist. #1
Lyle Nagel	Simms	Vice President at Large	Paul Krahn	Hamilton	Vice-Pres. Dist. #2
Art Korn	Butte	Secretary-Treasurer	Bill Habel	Dutton	Vice-Pres. Dist. #3
			Ron Mailey	Twin Bridges	Vice-Pres. Dist. #4
			Doug Hamilton	Hogeland	Vice-Pres. Dist. #5
			Kelly Gebhardt	Roundup	Vice-Pres. Dist. #6
			Glenn Cook	Glasgow	Vice-Pres. Dist. #7
			Gene Vennes	Plevna	Vice-Pres. Dist. #8

Montana State Volunteer Firemen's Association

From the Office of

LYLE P. NAGEL, LOBBYIST

House Business and Labor Committee March 19, 1985
Rep. Bob Pavlovich, Chairman

Committee Members:

The following is a list of reasons why we, the Mt. State Volunteer Firemen's Assn., CAN NOT support S.B. 325.

1. The 85 central offices that now have the 9-1-1 service would be charged to collect from their patrons a charge of 25¢ per month to implement a program that they already have.

2. Telephone Co-ops that can or do supply the 9-1-1 service for no charge or a small monthly charge would also have to charge their members 25¢ per month.

3. Some co-ops now have a three digit number system for the emergency services in their area. This system would have to be retained so the 9-1-1 operator could alert the needed emergency service. This would result in two three digit emergency numbers. This could be very confusing for the caller.

4. Some rural volunteer emergency services use private phones to alert their services. A call to a 9-1-1 operator would have to be transferred to the private number involved and that would just add another step to the call.

5. Since all rural roadways do not have names and name signs and all rural residences are not numbered, the systems now used by most rural emergency services need to be retained so the responders can obtain directions to the scene.

6. By having personal contact with the caller a responder can sometimes be of assistance by passing his knowledge to the caller immediately, such as a medical responder giving instructions for treating a burn. This service will not be available through the 9-1-1 operator.

Dedicated to the Betterment of the Fire Fighting Service

It is not what this Association is doing for you, but what are you doing for the Association

7. The only way the 9-1-1 system could work for rural volunteer emergency services is to incorporate a radio pager system into the system. No provisions for such a system are included in this bill. If the pager system were to be included, it is quite possible that 25¢ per month per line would not be sufficient.

8. The purpose of the bill is to primarily fund the installation of the equipment to implement the 9-1-1 system. What is not brought to light is the rest of the cost to maintain the system. This would have to be accomplished with an area wide tax levy of some sort. The proponents of this bill have not bothered to address this problem. We understand that Missoula County levies a tax for this purpose and that their budget for this year is $450,000.00.

9. The pay back portion of the bill would start immediately for those that now have the system. It appears that this is a way for those systems to reduce their tax levies at the expense of those that probably wouldn't receive funds to implement the system for ten years.

10. At least one area of the state has been informed by their phone company that they cannot provide the 9-1-1 system with their present equipment, yet these people in that area would still have to pay for other area's systems. The area involved is that area in and around Libby.

11. Since the intent of this bill is to be permissive, it seems only fair that the charging of a fee should be limited to those that would receive the benefits. If a co-op can furnish the system at no charge then the members should not have to pay the fee.

12. Some counties do not have any 24 hour dispatch service at this time. Those counties would have to implement such a service or contract with another dispatch service. This could present a funding problem.

13. Some of our rural emergency services cover an area involving more than one phone exchange. Sometimes these exchanges are located in different counties. This presents a problem for a dispatcher in determining which service to alert. If pager systems were to be used, the encoder equipment would have to be duplicated at the dispatch centers.

So far, only one fire department in our assn. has expressed an interest in the passage of this bill. We highly recommend that this bill do not pass. Your consideration of rejecting this bill would be greatly appreciated.

Lyle D. Vogel

Vice Pres. At Large

COPY OF A LETTER SENT TO ALL THE OFFICERS OF THE MONTANA STATE VOLUNTEER FIREMEN'S ASSOCIATION

Fellow Officers: March 4, 1985

I would like to bring you up to date on a bill that has come up in the legislature this year that can have a big affect on the communication systems of many of your departments.

The bill is Senate Bill 325. It deals with establishing a state wide common emergency phone number which would be 911. This would be accomplished by the phone company that services your area. The program would not be manditory but if your phone co. decided to implement it, there would be a central 911 dispatcher somewhere in your area that would receive all emergency calls and relay them to the proper agency.

This program would be funded by placing a charge of 25 cents per month on every residential and business phone in the state. This presents a part of the problem. Even though the program would be on a permissive basis, the fee would be manditory. This money collected would go to the State Dept. of Administration to be dispersed to the juristictions applying for funds to implement the program. 9 percent of the money collected would go for the administration and collecting of the funds.

There are at present 25 central offices equipped for the 911 service. Also, word has been received from some of the cooperative phone services that this service could be provided at either no cost or a small monthly fee for line charges. The fee would still be charged to these people to help the people in the rest of the state get the program going. Once the program is going statewide the money collected would be divided amongst the participating members.

The program is planned to be completed in ten years. One problem that I can see is that Mountain Bell figures that to convert their 110 central offices and pay phones (911 calls have to be free) it would cost them $2.55 million. That would require all the money that would be available for more than thirteen years. I fear that the charge would not stay at 25¢ per mo. for very long. There is no provision in the bill to keep it at that level. Missoula County has budgetted $450,000 just to operate their 911 system for one year. I don't see how this program can work on the funds that would be available. There was also much opposition from a few senators served by co-ops that could provide the service for free.

The bill does not seem to provide any way to fund pager systems. I don't see how this system would be useful to the volunteer services, especially in the rural areas, without the use of pagers. The 911 operator would have to alert these services by using the system they now use. This just adds another step to the call.

A lot of the rural co-ops are now using the 511 system for emergency services. Some may have to retain this system to have some way for the 911 operator to alert the services needed. This could result in two three digit emergency numbers. This could be as confusing as the system now used in some areas where private phones are used for emergency numbers.

Another problem that I see is the loss of personal contact with the caller that is present with the systems now used by some of us. If every residence or business in the state had a listed, numbered address this might not be very important but as it is now, that personal contact is needed to locate the caller. Of course this problem could be eliminated by numbering all residences and naming and signing all rural roadways.

When I testified at the Senate hearing on this bill, I stated that I fealt that the concept of a statewide emergency number was a good idea. However, I did not agree with the bill as it is written. My objections to the bill were (1) there is no provision for pager systems to make the system useful to the volunteer services and (2) I did not feel that those that would not get any benefit from the program should have to pay for it. It appears to me that this bill might be some form of tax relief for those areas that fund the 911 program with a mil levy.

This bill has passed the Senate and has been transmitted to the House Of Representatives. No hearing date has been set so far in the House. Before this hearing is held we would like to have some input from you people. Since this bill could have quite an effect on a lot of us I would suggest that you contact the people in your area and have them get in touch with the House Representative from their area and let them know how they feel. With the proper ammendments this could be a workable bill.

So far Ross and I have looked at and worked on over 30 bills concerning the volunteer firefighters. We have gotten some of them killed and others passed by the committees and passed on the floor. Some needed to be amended so we made recommendations for amendments. There were some that passed the committees but were killed when they reached the floor. There are some, such as this SB 325, that passed on the floor that need some amendments or maybe should be killed in the other house. Your input would be greatly appreciated.

Lyle P. Nagel

Lyle: 264-5151

Ross: Home: 453-6431
Farm: 463-2343
Helena: 449-6940

Vice Pres. At Large
Montana State Vol. Firemens Assn

Exhibit 15
3/19/85
SB325
Submitted by:
Charles Briggs

State of Montana
Office of the Governor
Helena, Montana 59620

TED SCHWINDEN
GOVERNOR

March 19, 1985

Rep. Bob Pavlovich, Chairman
House Business & Labor Committee
Room 312-2, State Capitol
Helena MT 59620

Dear Rep. Pavlovich:

I want to briefly bring to your attention information I have generally received in my work with the elderly throughout the state, as it relates to S.B. 325.

Senior citizens are increasingly living longer, and many more of them find themselves alone or isolated. That is not bad, as Montana citizens have a priority of very independent living. However, when people have a need, telephone access to emergency services are critical. For whatever reasons - many of which relate to impressions fostered by the media - they believe that in their community by dialing "9-1-1" they will have instant access to those services. When they discover there is no such access line available to them, it causes a certain amount of consternation and additional stress.

I support the establishment of a statewide emergency phone system, such as Sen. VanValkenburg has introduced in S.B. 325. I also believe the effectiveness of such a system is that the access number be "9-1-1" not the least of which is that is the number most readily and generically available to people.

Please let me know if I can be of further assistance in your committee's deliberation. I am

Sincerely,

CHARLES BRIGGS
State Aging Coordinator

cc. Sen. Van Valkenburg

3/19/85
SB325
Submitted by:
Senator
Van Valkenburg

Senate Bill 325(Third Reading Copy)

Page 8, line 1
Following: "plan."
Insert:

"In any statement approving a final plan, the Department shall indicate a timetable in which the provider shall undertake necessary telephone system conversions. The timetable shall be such that conversions shall not be required unless sufficient funds to compensate the provider for its conversion costs will be available within one year of the initial installation of the 9-1-1 system."

VISITOR'S REGISTER

HOUSE Business & Labor COMMITTEE

BILL Senate Bill 325 DATE March 19, 1985

SPONSOR Van Valkenburg

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOSE
Ellen Feaver		Dept of Adm	X	
Henry Helgeson	Circle, MT	Mid-Rivers		X
Lyle R. Nagel	Simms MT	Mt. St. Vol Firemens Assn		X
Charles Oster	Jenny MT	Mid Rivers		X
Gene Engen	Circle MT.	" "		X
Jay W Preston	Ronan MT.	Ronan Tel Co.		X
Betty Lou Kasten	Brockway MT	Mid-Rivers Tel		X
Jay Smith	Florence MT	Blackfoot Tel		X
Wm R Snoke	Fairfield MT	3 Rivers Tel		X
Elizabeth A Preston	Ronan MT.	Ronan Tel Co.		X
Earl Owens	Missoula, MT	Blackfoot Tele. Coop.		X
Dona Brostrom	Msla, MT	Msla Co.	X	
[illegible]	Msla MT	Msla Co	X	
Larry Petersen	Helena	Board of Crime Control	X	
[illegible]	Miles	Custer Fish Chap	X	
Jay Wilson Preston	Ronan, MT	Ronan Tel. Co.		X
Mike Trevor	Helena	Dept. of Admin	✓	
S.L. Smith	Ft Peck, MT	Valley Rural Tel		X
R.N. Orr	Lincoln MT	Lincoln tel Co		X
R.G. Thomson	Glasgow	Valley Tel.		
J.W. McDonald	Helena MT	Northwestern Tel		X

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Dave Veal E. Helena E. Helena Vols. Fire Dept. X

Jerry L. Ewing E. Helena " " " X

FORM CS-33

ACTION ON SENATE BILL 325: Representative Schultz stated that nobody in the eastern portion of the state had been contacted concerning this issue. There are 1.64 people per square mile in this area and they have a number of concerns. The 25 cent fee will be collected even though the service will not be provided until July, 1987. Representative Schultz distributed to committee members his proposed amendments which are attached hereto as Exhibit 5. Senator Van Valkenburg stated the amendments do not allow anything to happen until July, 1987, and asked the committee to change the 1987 to 1985 if the amendments are adopted. If the concern is for the rural co-ops, we should exempt them from the bill. Mr. Jay Downen, representing the Montana Telephone Association of Independent Communities, explained they want to see the 9-1-1 system, but a one year period is not sufficient time to implement this. Two years is the minimum amount of time that is needed. Representative Simon asked Senator Van Valkenburg if everyone in Billings will be charged the 25 cent fee even though they currently have 9-1-1 service. Senator Van Valkenburg stated this is correct and statewide service will be provided and Billings will get a portion of the funds back to enhance their current system. Representative Kadas asked Senator Van Valkenburg if the bill could become effective July, 1987 and the 25 cent charge be optional until then. Senator Van Valkenburg stated the rural telephone people were notified of this bill in October and told the system would be put in place by July, 1985. The senator suggested rural co-ops be exempt until July, 1987. Representative Glaser asked Senator Van Valkenburg what this will provide for Billings. The senator stated when they travel to other portions of the state they will know the number to call and not only Billings but everyone will be spending additional money. The provider will receive the cost incurred for the cost imposed, added Senator Van Valkenburg. Representative Driscoll asked the senator who will get the money in Billings. Senator Van Valkenburg stated the money will first go to telephone equipment changes and then to the entity who provides the service. Representative Kitselman asked Jay Downen if while the co-ops are in the process of updating equipment, if the service could be provided for free and in two years purchase new equipment. Mr. Downen stated the 5-1-1 system is used in instances and they first heard of this legislation in October and looked into changing the software, but need to get fire, police and ambulance services. Representative Schultz asked Mr. Downen if the suggestion of Senator Van Valkenburgs presented a problem. Mr. Downen stated they do not want to be singled out. Representative Brown commented to Senator

Van Valkenburg that this seems to be a very inefficient way of implementing the system. Senator Van Valkenburg stated they need to bring local people together and in Missoula this took 10 years to implement. Representative Kitselman added that in Billings the sheriff is involved and there may be a conflict with the state reimbursing the city. Representative Schultz moved DO PASS and moved the amendments. Representative Kadas asked Representative Schultz why Senator Van Valkenburgs amendment is unacceptable, it may make more sense. Representaitve Schultz stated this would strip the RTA's from the bill and by doing so they may not continue to show interest. Senator Van Valkenburg stated that if his amendment is adopted and stripped on the floor, he would reject this bill in the senate. Question being called, a roll call vote resulted in 12 members voting yes and 7 members voting no on Representative Schultz' amendments. Representative Brown asked if the bill fails what will happen. Senator Van Valkenburg stated nothing will happen. Representative Kitselman stated it can be brought back in two years. Representative Simon added that the Billings pays for itself and it is unfair to those that currently have a system. Representative Pavlovich asked how Billings and Missoula got their systems, which was answered by themselves. Representative Brandewie stated that for $3 per year, kids can know the telephone number to call and have safety and many times an operator does not know where to refer the call to. Representative Kitselman stated he is not opposed to the concept, but why doesn't Kalispell do it themselves. Representative Thomas stated there have been massive changes in the telephone system and that a lot of the time you can not get the telephone number. In Billings you wouldn't know if you were getting the city/county or what. Representative Driscoll moved Senator Van Valkenburgs amendment on page 5, line 3. The amendment did pass by unanimous vote. Senate Bill 325 will BE CONCURRED IN AS AMENDED with all but Representatives Glaser, Hart, Howe, Kitselman, Nisbet and Simon voting yes.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 11:20 a.m.

Rep. Bob Pavlovich,
Chairman

DAILY ROLL CALL

BUSINESS AND LABOR COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 21, 1985

NAME	PRESENT	ABSENT	EXCUSED
Bob Pavlovich	✓		
Les Kitselman	✓		
Bob Bachini	✓		
Ray Brandewie	✓		
Jan Brown	✓		
Jerry Driscoll	✓		
Robert Ellerd	✓		
William Glaser	✓		
Stella Jean Hansen	✓		
Marjorie Hart	✓		
Ramona Howe	✓		
Tom Jones	✓		
Mike Kadas	✓		
Vernon Keller	✓		
Lloyd McCormick	✓		
Jerry Nisbet	✓		
James Schultz	✓		
Bruce Simon	✓		
Fred Thomas	✓		
Norm Wallin			✓

ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE March 21, 1985 BILL NO. 325 TIME

NAME	AYE	NAY
Bob Pavlovich		✓
Les Kitselman	✓	
Bob Bachini	✓	
Ray Brandewie		✓
Jan Brown	✓	
Jerry Driscoll		✓
Robert Ellerd	✓	
William Glaser	✓	
Stella Jean Hansen		✓
Marjorie Hart	✓	
Ramona Howe	✓	
Tom Jones	✓	
Mike Kadas		✓
Vernon Keller	✓	
Lloyd McCormick		
Jerry Nisbet		✓
James Schultz	✓	
Bruce Simon	✓	
Fred Thomas		✓
Norm Wallin	✓	

Secretary Debbie Aqui

Chairman Bob Pavlovich

Motion: 12-7

Amendments introduced by Rep. Schultz

CS-31

ROLL CALL VOTE

HOUSE COMMITTEE BUSINESS AND LABOR

DATE March 21, 1985 BILL NO. 325 TIME _____

NAME	AYE	NAY
Bob Pavlovich	✓	
Les Kitselman		✓
Bob Bachini	✓	
Ray Brandewie	✓	
Jan Brown	✓	
Jerry Driscoll	✓	
Robert Ellerd	✓	
William Glaser		✓
Stella Jean Hansen	✓	
Marjorie Hart		✓
Ramona Howe		✓
Tom Jones	✓	
Mike Kadas	✓	
Vernon Keller		✓
Lloyd McCormick	✓	
Jerry Nisbet		✓
James Schultz	✓	
Bruce Simon		✓
Fred Thomas	✓	
Norm Wallin	✓	

Secretary Debbie Aqui

Chairman Bob Pavlovich

Motion: 13-7 Do Pass As Amended

Exhibit 5
3/21/85
SB325
Submitted by: Rep. Schult

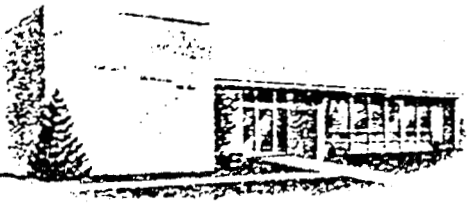
AMENDMENT TO SENATE BILL NO. 325, THIRD READING BILL

1) Title, line 11.
Strike: "AN"

2) Title, line 12.
Strike: "DATE"
Insert: "DATES"

3) Page 16, line 7.
Following: "Effective"
Strike: "date"
Insert: "dates"
Following: "."
Strike: "This act is"
Insert: "(1) [Sections 9 through 20], to the extent that they allow a provider who voluntarily complies with the provisions for emergency telephone system in [section 2] to impose, collect, and use the proceeds of a charge of 25 cents a month per access line on each service subscriber, and this section are"

4) Page 16, following line 8.
Insert: "(2) [Sections 1 through 8] are effective July 1, 1987."



3 RIVERS TELEPHONE CO-OP, INC.
Fairfield, Montana 59436
Area Code 406 467-2535

Mr. Rex Manuel

March 20, 1985

Dear Mr. Manuel:

Please review the enclosed motion passed at the 3 Rivers Telephone Cooperative's 32nd Annual Meeting held March 18, 1985. We had approximately 600 people that attended our Annual meeting. We discussed the proposed "911" Bill and the twenty-five cents ($0.25) charge the bill would impose on the subscriber.

I can assure you there wasn't one person that was in favor of the "911" Bill as it is written. I am also sure that all of the Rural Montana subscribers would vote against this "911" bill.

I would appreciate your passing this information on to your colleagues and also any support you can give us.

You must be aware that Senate Bill No. 325, will impose a mandatory surcharge of twenty-five cents ($0.25) on everyone's bill to support a Statewide emergency telephone number "911". This surcharge is to go into effect beginning July 1,1985, whether emergency services are available or not. The 3 Rivers Telephone Cooperative will be able in the next two years to provide this service to our members, at considerably less cost than required by Senate Bill No. 325.

We also feel that its appropriate to let the Telephone Cooperatives, the consumers and the entities that are providing emergency services now make their own decision and not have charges forced on them.

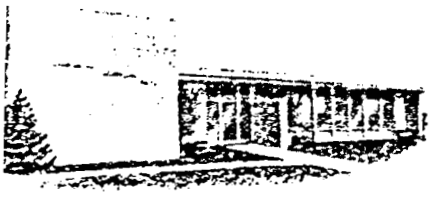
Sincerely,

3 Rivers Telephone Cooperative, Inc.

Eugene L. Andrus

Eugene L. Andrus
Manager

ELA/la



3 RIVERS TELEPHONE CO-OP, INC.
Fairfield, Montana 59436
Area Code 406 467-2535

A motion was made by Rod Hanson, seconded by Ralph J. Parker, and unanimously carried, instructing the Manager to inform the State Legislative Representatives that the Membership of 3 Rivers Telephone Cooperative, Inc., is in favor of the principal of the "911" Emergency Service, but that they are against the specific language of the proposed Senate Bill No. 325, and that the legislators should allow the Cooperatives to establish "911" Service in their own areas on a timely basis, and under their own rates.

3 RIVERS TELEPHONE COOPERATIVE, INC.

Eugene L. Andrus

Eugene L. Andrus - Manager

GOVERNOR'S PROPOSED AMENDMENTS
TO SENATE BILL NO. 325
REFERENCE COPY
April 15, 1985

1. Page 13, line 15.
Following: "on"
Strike: "October 1, 1985"
Insert: "April 1, 1987"

2. Page 16, lines 16-23.
Following: "DATES."
Strike: (1) on line 16 through JULY 1, 1987 on line 23.
Insert: "Sections 3 and 11 are effective July 1, 1986 for the purpose of adopting rules to implement this [act]. The remainder of this [act] is effective January 1, 1987

STATEMENT OF INTENT

SENATE BILL 325

Senate Local Government Committee

A statement of intent is required for this act because it delegates rulemaking to the department of administration and the department of revenue. It is the intent of the legislature that the department of administration solicit the advice of emergency service providers and the advisory council created by section 3 in developing rules for requirements of systems and criteria for approving or disapproving plans.

Rules adopted by the department of revenue must provide for forms for returns and requests for refunds that are not burdensome to providers. The rules must also provide recordkeeping requirements for service providers and dates when returns must be made. The department shall also prescribe standards by which it will determine whether a refund is payable.

REFERENCE BILL: INCLUDES GOVERNOR'S AMENDMENTS DATED 4-15-85

SB 325

SENATE BILL NO. 325

INTRODUCED BY VAN VALKENBURG, KEYSER, FULLER, HARDING, HALLIGAN, BLAYLOCK, MCCALLUM, QUILICI, HIRSCH, MOHAR, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A PERMISSIVE STATEWIDE EMERGENCY TELEPHONE SYSTEM; PROVIDING FOR A STATE PLAN; PROVIDING FOR TELEPHONE INDUSTRY COORDINATION; PROVIDING FOR COIN TELEPHONE CONVERSION; PROVIDING FOR FUNDING OF THE SYSTEM BY LEVYING A TELEPHONE FEE; AMENDING SECTION 35-18-503, MCA; AND PROVIDING AN EFFECTIVE ~~DATE~~ DATES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Definitions. As used in [this act], unless the context requires otherwise, the following definitions apply:

(1) "Account" means the 9-1-1 emergency telecommunications account established in [section 16].

~~(2)--"Commission"--means--the-public-service-commission provided-for-in-2-15-2602.~~

~~(3)~~(2) "Department" means the department of administration provided for in Title 2, chapter 15, part 10.

~~(4)~~(3) "Direct dispatch method" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, provides for a decision as to the proper action to be taken and for dispatch of appropriate emergency service units.

~~(5)~~(4) "Emergency" means any event that requires dispatch of a public or private safety agency.

~~(6)~~(5) "Emergency services" means services provided by any public or private safety agency, including law enforcement, firefighting, ambulance or medical services, and civil defense services.

~~(7)~~(6) "Exchange access services" means:

(a) telephone exchange access lines or channels that provide local access from the premises of a subscriber in this state to the local telecommunications network to effect the transfer of information; and

(b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in subsection (7)(a).

~~(8)~~(7) "Local government" means any city, county, or political subdivision of the state and its agencies.

~~(9)~~(8) "Minimum 9-1-1 service" means a telephone service meeting the standards established in [section 3] that automatically connects a person dialing the digits 9-1-1 to an established public safety answering point. "Minimum 9-1-1 services" includes equipment for connecting and outswitching 9-1-1 calls within a telephone central

office, trunking facilities from the central office to a public safety answering point, and equipment, as appropriate, for transferring the call to another point, when appropriate.

~~(10)~~(9) A "9-1-1 jurisdiction" means a group of public or private safety agencies who operate within or are affected by one or more common central office boundaries and who have agreed in writing to jointly plan a 9-1-1 emergency telephone system.

~~(11)~~(10) "Private safety agency" means any entity, except a public safety agency, providing emergency fire, ambulance, or medical services.

~~(12)~~(11) "Provider" means a public utility, COOPERATIVE TELEPHONE COMPANY, OR ANY OTHER ENTITY that provides telephone exchange access services.

~~(13)~~(12) "Public safety agency" means the state and any city, county, city-county consolidated government, municipal corporation, chartered organization, public district, or public authority located in whole or in part within this state that provides or has authority to provide emergency services.

~~(14)~~(13) "Public safety answering point" means a communications facility operated on a 24-hour basis that first receives 9-1-1 calls from persons in a 9-1-1 service area and which may, as appropriate, directly dispatch public

or private safety services or transfer or relay 9-1-1 calls to appropriate public safety agencies.

~~(15)~~(14) "Relay method" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, notes the pertinent information from the caller and relays such information to the appropriate public safety agency, other agencies, or other providers of emergency services for dispatch of an emergency unit.

~~(16)~~(15) "Subscriber" means ~~a--person~~ AN END USER who receives telephone exchange access services.

~~(17)~~(16) "Transfer method" means a 9-1-1 service in which a public safety answering point, upon receipt of a telephone request for emergency services, directly transfers such a request to an appropriate public safety answering agency or other provider of emergency services.

Section 2. Emergency telephone system requirements. (1) Every public and private safety agency in this state may establish or participate in an emergency telephone system.

(2) An emergency telephone system must include:

(a) a 24-hour communications facility automatically accessible anywhere in the 9-1-1 jurisdiction's service area by dialing 9-1-1;

(b) direct dispatch of public and private safety services in the 9-1-1 jurisdiction or relay or transfer of

9-1-1 calls to an appropriate public or private safety agency; and

(c) ~~two--9-1-1--circuits--from--each-telephone-company central-office-to-each-24-hour-communications--facility--for law--enforcement,--firefighting,--ambulance,--and--emergency medical-services~~ A 24-HOUR COMMUNICATIONS FACILITY EQUIPPED WITH AT LEAST TWO TRUNK-HUNTING LOCAL ACCESS CIRCUITS PROVIDED BY THE LOCAL TELEPHONE COMPANY'S CENTRAL OFFICE.

(3) The primary emergency telephone number within the state is 9-1-1, but a public safety answering point shall maintain both a separate seven-digit secondary emergency number for use by the telephone company operator and a separate seven-digit nonemergency number.

Section 3. Department of administration duties and powers. (1) The department shall assist in the development of 9-1-1 systems in the state. The department shall:

(a) establish procedures for determining and evaluating requests for variations from minimum 9-1-1 service;

(b) upon request of a 9-1-1 jurisdiction, assist in planning an emergency 9-1-1 telephone system;

(c) establish criteria for evaluating plans;

(d) monitor implementation of approved plans for compliance with the plan and use of funding; and

(e) report biennially to the legislature the progress

made in implementing a statewide emergency telephone system.

(2) The department shall obtain input from all 9-1-1 jurisdictions by creating an advisory council to participate in development and implementation of the 9-1-1 program in the state. The council must be established pursuant to 2-15-122. The highway patrol, emergency medical services organizations, telephone companies, the associated public safety communicators, the department of emergency services, police departments, sheriff's departments, local citizens, organizations, and other public safety organizations may submit recommendations for membership on the advisory council.

Section 4. Submission of preliminary plans for 9-1-1 jurisdictions -- review -- cost estimates. (1) A 9-1-1 jurisdiction may submit a preliminary plan for establishing an emergency telephone system in accordance with [section 2] to:

(a) public and private safety agencies in the 9-1-1 jurisdiction;

(b) the department; and

(c) ~~public--utilities--that---provide~~ PROVIDERS OF telephone service in the 9-1-1 jurisdiction's service area.

(2) The department shall review the preliminary plan for compliance with [section 2] and rules adopted pursuant to [section 3] and report its approval or disapproval to the

9-1-1 jurisdiction within 90 days of receipt of the plan.

(3) A ~~public--utility--that--provides~~ PROVIDER OF telephone service in the 9-1-1 jurisdiction's service area shall, within 90 days of receipt of the plan, provide the 9-1-1 jurisdiction with a good faith estimate of the cost to the 9-1-1 jurisdiction for implementing the plan.

Section 5. Submission and approval of final plans -- exception. (1) A 9-1-1 jurisdiction shall submit a proposed final plan for establishing an emergency telephone system pursuant to [section 2] within 1 year from receipt of the department's approval of its preliminary plan to:

(a) public and private safety agencies in the 9-1-1 jurisdiction;

(b) the department; and

(c) ~~public--utilities--that---provide~~ PROVIDERS OF telephone service in the 9-1-1 jurisdiction's service area.

(2) In addition to other matters required by [section 2], the final plan must include a description of all capital and recurring costs for the proposed emergency 9-1-1 telephone system.

(3) The department shall determine whether the final plan complies with [section 2] and rules adopted pursuant to [section 3]. Subject to [section 6], if the department determines that the plan complies, it shall approve the plan, or if the department determines that the plan does not

comply, it shall disapprove the plan. The department shall inform the 9-1-1 jurisdiction of its decision within 180 days of receipt of the plan. IN ANY STATEMENT APPROVING A FINAL PLAN, THE DEPARTMENT SHALL INDICATE A TIMETABLE IN WHICH THE PROVIDER SHALL UNDERTAKE NECESSARY TELEPHONE SYSTEM CONVERSIONS. THE TIMETABLE MUST BE SUCH THAT CONVERSIONS MAY NOT BE REQUIRED UNLESS SUFFICIENT FUNDS TO COMPENSATE THE PROVIDER FOR ITS CONVERSION COSTS ARE AVAILABLE WITHIN 1 YEAR OF THE INITIAL INSTALLATION OF THE 9-1-1 SYSTEM.

Section 6. Requirement for approval of final plan -- department to insure compliance. The department may not approve the preliminary or final plan of a 9-1-1 jurisdiction unless the plan is accompanied by a written approval from the governing bodies of all participating public and private safety agencies included in the 9-1-1 jurisdiction.

Section 7. Agreements among safety agencies for rendering emergency services. (1) Public or private safety agencies sharing common boundaries may enter into agreements which provide that an emergency unit dispatched by an emergency telephone system established in accordance with [section 2] must render emergency services without regard to jurisdictional boundaries.

(2) A public safety agency with jurisdictional

responsibilities must in all cases be notified by the public safety answering point of a request for service in the agency's jurisdiction.

Section 8. Pay phones to be converted to allow emergency calls without charge. ~~A--public--utility--that provides~~ EVERY PROVIDER OF telephone service OR OTHER OWNER OF A PAY STATION TELEPHONE in an area served by an emergency telephone system established pursuant to [section 2] must convert every pay station telephone to permit dialing 9-1-1 or the telephone company operator without deposit of a coin or other charge to the caller. Conversion must be completed by or before the time the emergency telephone system is operational.

Section 9. Fee imposed for telephone exchange access services. (1) Except as provided in [section 10], a fee of 25 cents a month per access line on each service subscriber in the state is imposed on the amount charged for telephone exchange access services.

(2) The subscriber paying for exchange access line services is liable for the fee imposed by this section.

(3) The provider shall collect the fee. The amount of the fee collected by the provider is considered payment by the subscriber for that amount of fee.

(4) Any return made by the provider collecting the fee is prima facie evidence of payments by the subscribers of

the amount of fees indicated on the return.

Section 10. Exemptions from fee imposed. The fee imposed by [section 9] does not apply to:

(1) services that the state is prohibited from taxing under the constitution or laws of the United States or the constitution or laws of the state of Montana; or

(2) amounts paid by depositing coins in a public telephone.

Section 11. Provider required to maintain record of collections. Every provider responsible for the collection of the fee imposed by [section 9] shall keep records, render statements, make returns, and comply with rules adopted by the department of revenue with respect to the fee. Whenever necessary in the judgment of the department of revenue, it may require the provider or subscriber to make returns, render statements, or keep records sufficient to show whether there is ~~tax~~ liability FOR THE FEE.

Section 12. Deadlines for filing returns. (1) The provider collecting the fee under [section 9] must file a return with the department of revenue on or before the last day of the month following the end of each calendar quarter, reporting the amount of fee due on exchange access line services during the quarter. Returns are subject to the penalty for false swearing provided in 45-7-202.

(2) When a return of the fee is required, the provider

required to make the return shall pay the fee due the department of revenue at the time fixed for filing the return.

(3) The provider shall pay the fee based on the net amount billed for the exchange access service fee during the quarter.

(4) As used in this section, the "net amount billed for the exchange access service fee" equals the gross amount billed for such service, less adjustments for uncollectable accounts, refunds, incorrect billings, and other appropriate adjustments.

Section 13. Refund to provider for excess payment of fee. If the amount paid by a provider to the department of revenue exceeds the amount of fee owed, the department of revenue shall refund the amount of the excess payment, with interest thereon at the rate of 0.5% a month or fraction of a month from the date of payment of the excess until the date of the refund. No refund may be made to a provider who fails to claim the refund within 2 years after the due date for filing of the return with respect to which the claim for refund relates.

Section 14. Provider required to hold fee in trust for state. (1) Every provider required to collect the fee imposed by [section 9] holds it in trust for the state of Montana and for the payment thereof to the department of

revenue in the manner and at the time provided by [section 12].

(2) If a provider required to collect the fee fails to remit any amount held in trust for the state of Montana or if a subscriber fails to pay the fee, the department of revenue may enforce collection by the issuance of a warrant for distraint for the collection of the delinquent amount and all penalties, interest, and collection charges accrued thereon. The warrant is governed by the provisions of Title 15, chapter 1, part 7.

Section 15. Provider considered a taxpayer under provisions for fee. Unless the context requires otherwise, the provisions of Title 15 referring to the audit and examination of reports and returns, determination of deficiency assessments, claims for refunds, penalties, interest, jeopardy assessments, warrants, conferences, appeals to the department of revenue, appeals to the state tax appeal board, and procedures relating thereto apply to [sections 9 through 14] the same as if the fee were a tax imposed upon or measured by net income. All such provisions apply to the subscriber liable for the fee and to the provider required to collect the fee. As to any amount collected and required to be remitted to the department of revenue, the fee is considered a tax upon the provider required to collect it and that provider is considered a

taxpayer.

Section 16. Establishment of emergency telecommunications account. A 9-1-1 emergency telecommunications account is established in the state special revenue fund in the state treasury. All money received by the department of revenue pursuant to [section 9] must be paid to the state treasurer for deposit in the account. After payment of refunds pursuant to [section 13], the balance of the account is statutorily appropriated [as provided in section 2 of House Bill No. 12] to the department to be used for the purposes described in [sections 2 through 8].

Section 17. Distribution of account by department. (1) The department shall make quarterly distributions of the entire account beginning on ~~October 1, 1985~~ APRIL 1, 1987. The distributions must be made for the following:

(a) administrative costs incurred during the preceding calendar quarter by the department of revenue in carrying out [this act]. The amount paid may not exceed 1% of the account on the date of distribution or actual expenses incurred, whichever is less.

(b) administrative costs incurred during the preceding calendar quarter by the department in carrying out its duties under [this act]. The amount paid to the department may not exceed 7% of the account on the date of distribution

or actual expenses incurred, whichever is less.

(c) costs incurred during the preceding calendar quarter by each ~~public utility that provides~~ PROVIDER OF telephone service in the state for:

(i) collection of the fee imposed by [section 9];

(ii) modification of central office switching and trunking equipment for emergency telephone service only; and

(iii) conversion of pay station telephones required by [section 8].

(2) Payments under subsection (1)(c) may be made only after application by the ~~public utility~~ PROVIDER to the ~~commission~~ DEPARTMENT for costs incurred in subsection (1)(c). The ~~commission~~ DEPARTMENT shall ~~audit~~ REVIEW all applications relevant to subsection (1)(c) for appropriateness of costs claimed by the ~~public utility and shall forward the results of such audits to the department~~ PROVIDER. If the ~~utility~~ PROVIDER contests the ~~audit~~ REVIEW, payment may not be made until the amount owed the ~~utility~~ PROVIDER is made certain.

(3) After all amounts under subsections (1) and (2) have been paid, the balance of the account must be distributed to cities within a 9-1-1 jurisdiction that have an approved final plan and to counties within a 9-1-1 jurisdiction that have an approved final plan on a per capita basis. However, each county must receive a minimum of

1% of the balance of the counties' share of the account. Cities and counties shall distribute amounts received to 9-1-1 jurisdictions within their jurisdiction. A 9-1-1 jurisdiction whose 9-1-1 service area includes more than one city or county is eligible to receive operating funds from each city or county involved.

(4) If the department through its monitoring process determines that a 9-1-1 jurisdiction is not adhering to an approved plan or is not using funds in the manner prescribed in [section 18], the department may, after notice and hearing, suspend payment to the 9-1-1 jurisdiction. The jurisdiction is not eligible to receive funds until such time as the department determines that the jurisdiction is complying with the approved plan and fund usage limitations.

Section 18. Limitation on use of funds. Money received under subsection (3) of [section 17] may be used only to pay for installing, operating, and improving an emergency telephone system using 9-1-1. Money not necessary for immediate use may be invested by the city or county. The income from the investments shall be used only for the purposes described in this section.

SECTION 19. SECTION 35-18-503, MCA, IS AMENDED TO READ:

"35-18-503. Annual fee to department of revenue -- exemption from other taxes. Cooperatives and foreign

corporations transacting business in this state pursuant to the provisions of this chapter shall pay annually on or before July 1, to the department of revenue a fee of $10 for each 100 persons or fractions thereof to whom electricity or telephone service is supplied within the state but, except as provided in [section 9], shall be exempt from all other excise and income taxes of whatsoever kind or nature."

Section 20. Coordination. If this act and House Bill No. 12 are both passed and approved, subsection (3) of section 2 of House Bill No. 12 is amended to include a reference to section 16 of this act, and the bracketed language in section 16 of this act "[as provided in section 2 of House Bill No. 12]" is effective. If House Bill No. 12 is not passed and approved, such bracketed language in section 16 of this act is void.

Section 21. Effective ~~date~~ DATES. ~~This--act--is~~ ~~(1)~~ ~~SECTIONS-9-THROUGH-20,--TO--THE--EXTENT--THAT--THEY--SHOW--A PROVIDER-WHO-VOLUNTARILY-COMPLIES-WITH-THE-PROVISIONS-FOR-AN EMERGENCY--TELEPHONE-SYSTEM-IN-SECTION-2-TO-IMPOSE,-COLLECT, AND-USE-THE-PROCEEDS-OF-A-CHARGE-OF-25--CENTS--A--MONTH--PER ACCESS-LINE-ON-EACH-SERVICE-SUBSCRIBER,-AND-THIS-SECTION-ARE effective-July-1,-1985.~~

~~(2)--SECTIONS--1--THROUGH-8-ARE-EFFECTIVE-JULY-1,-1987.~~ SECTIONS 3 AND 11 ARE EFFECTIVE JULY 1, 1986, FOR THE PURPOSE OF ADOPTING RULES TO IMPLEMENT THIS ACT. THE

REMAINDER OF THIS ACT IS EFFECTIVE JANUARY 1, 1987.

-End-